

**ENROLLED MINUTES OF THE
HIGHLAND WATERWORKS BOARD OF DIRECTORS
AUGUST 24, 2017**

The Highland Water Works Board of Directors convened in study session immediately before the Regular Meeting at 6:35 p.m. on Thursday August 24, 2017 in the upper meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland Indiana, in order to discuss the final agenda of the regular meeting.

ROLL CALL: Present on silent roll call were Directors George A. Smith, George Georgeff, and Edward Dabrowski. Absent: James Norris and Matthew Timmer. Also present were Derek Snyder, NIES Engineering Inc.; Michelle Kobeszka, Recording Secretary; John Bach, Public Works Director; Mark Knesek, Operations Director; Mike Pipta, Fire Department; Rhett Tauber, Board Attorney; and Michael Griffin, Clerk Treasurer.

1. Director Smith discussed the additional cost for including the School Town of Highland's Trojan Newsletter insert with Utility bill mailings. He requested Attorney Rhett Tauber to follow-up with the School Town of Highland on payment terms. Attorney Rhett Tauber will prepare an Interlocal Government Cooperation Agreement that will establish the terms.

2. Derek Snyder presented the 2018 capital projects list, as requested. The first project involves water main replacement along Wicker Park Drive, Walnut Drive and Robertson Place, north of 81st Street. This project would be a joint project with the Board of Works to also repair deteriorated curb/sidewalk/driveway aprons using CDBG funds. Director Smith asked if this is something we can do this year, and John Bach responded that it could be designed and bid in the winter for construction to begin in Spring 2018. The second project on the list involves water main replacement along Martha Street, from Kennedy Avenue to Hook Street, and extension of the water main across the railroad tracks to Longwood Drive.

3. Mr. Griffin stated that a Rate Review is recommended, since it has been 5 years since the rates were last reviewed.

5. Director Smith discussed the agenda items.

The Highland Water Works Board of Directors met in its Regular Session on Thursday, August 24, 2017 at 7:10 p.m. in the upper meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland Indiana. Director Smith opened the meeting. The minutes were recorded by Michelle Kobeszka, Recording Secretary. The session was opened with the Pledge of Allegiance.

ROLL CALL: Present on roll call were Directors George A. Smith, George Georgeff and Edward Dabrowski. Absent: James Norris and Matthew Timmer. Also present were Derek Snyder, NIES Engineering Inc.; Michelle Kobeszka, Recording Secretary; John Bach, Public Works Director; Mark Knesek, Operations Director; Mike Pipta, Fire Department; Rhett Tauber, Board Attorney; and Michael Griffin, Clerk Treasurer. President George A. Smith requested to note in the minutes that a quorum was present.

MINUTES: Director Smith asked if there were any corrections to the Minutes of the Regular Meeting of July 27th, 2017, as prepared and posted. Director Dabrowski moved to approve the Minutes of the Regular Meeting on July 27th, 2017. Director Georgeff seconded. On a vote viva voce, the motion passed.

Communications:

1. REVISED Water Resolution for Rules of Amendments regarding the new provisions of due process for water shut-offs.
2. Letter received from President Dan Vassar, Highland Town Council dated June 30, 2017, to President George A. Smith and Directors regarding Trojan Today – School Town of Highland Newsletter.
3. Letter received from President George A. Smith dated August 16, 2017, regarding Trojan Today-School Town of Highland Newsletter reference to the additional cost borne.

Unfinished Business and General Orders:

1. Highland Waterworks
Board of Directors
Resolution No. 2017-13

The following resolution was introduced at the August 24, 2017 meeting, with no further action able to be taken by the Board at this meeting.

A RESOLUTION TO AMEND THE CODE OF RULES AND REGULATIONS OF THE WATER UTILITY, AMENDING SEVERAL RULES.

Whenever an existing provision in the rules or regulations is being amended, the text of the existing provision will appear in this style of type, additions will appear in **this style of type**, and deletions will appear in ~~this style of type~~. Whenever a wholly new provision is being adopted for the rules, the text of the new provision will appear in **this style of type**. Also, the word **NEW** will appear in that style type in the introductory clause of each section that adds a new clause.

**HIGHLAND DEPARTMENT OF WATER WORKS
WATER WORKS BOARD OF DIRECTORS**

A Resolution to Amend the Code of Rules and Regulations of the Water Utility, amending several rules

RESOLUTION NO. 2017-13

WHEREAS, The Town Council as Legislative Body of the Municipality passed an Ordinance adopting the provisions of IC 8-1.5-4 establishing a department of waterworks controlled by a board of directors;

WHEREAS, The aforementioned Chapter incorporates the provisions of IC 8-1.5-3-4 entitled *Powers and Duties*, making it applicable to departments of waterworks, indicating that for the purposes set forth in those statutes, the board of directors serves as both the governing board and the municipal legislative body; and

WHEREAS, The Board of Directors has general supervisory powers over the utilities under its control, in particular to adopt rules for the safe, economical and efficient management of the utility and to make findings and determination;

Whereas, Section 12.05.090 of the Highland Municipal Code Authorizes the Board of Waterworks Directors to adopt rules for the safe, economical and efficient management of the utility and to make findings and determinations as well as recommend rates and charges for the operation of the utility for adoption by the municipal legislative body; and

Whereas, The Board of Waterworks Directors desires to adopt a new rule or amend existing rules to further perfect the Code of Rules and Regulations as well as to further affect the safe, economical and efficient management of the utility and its operation,

Now, Therefore, Be it hereby Enacted Among the Code of Rules and Regulations of the Department of Waterworks by the Board of Directors of the Department of Waterworks of the Town of Highland as follows:

Section 1. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 1.17.2** in its entirety and its replacement with a successor rule to be styled as **Rule 1.17.3** and adopted which shall read as follows:

Rule 1.17.3 Meter reading, billings, and delinquencies.

(A) Meters will be read electronically via radio frequency by the utility each month. Effective October 1, 2010, a monthly meter-reading surcharge shall apply to any customer that has not converted to an electronic transmitting register in accordance with Rule 2.3. Call-in readings are not accepted.

(B) Bills will be rendered monthly according to the schedule of rates filed, **except where otherwise indicated**. The billing date shall be on or around the fifth day of the month following the reading periods in the town with such bill to be due for payment on or around the twentieth of the month.

~~(B)~~ (C) If payment is not received in the office of the clerk-treasurer or at such other places as designated by the utility before 12:00 midnight **on or before the delinquent due date** indicated on the bill, the customer will be considered delinquent and at any time thereafter, prior to the payment thereof, the utility may, ~~after serving 10 days notice~~, discontinue water service, **provided there is written notice and it is mailed not less than ten (10) days before the date specified in the notice that water service is to be discontinued, pursuant to IC 8-1.5-3-4(e) and according to subdivision (D) of this Rule, which follows**. Except as otherwise provided herein, delinquent payment penalties, including any charges associated with **restoration of service turn-offs and turn-ons**, shall be charged in accordance with Rule 2.2 and Rule 2.3. In addition, a late or delayed payment penalty may be charged for unpaid balances, which may remain after one billing cycle following the delinquency. The late payment penalty shall be charged pursuant to Rule 2.3.

(D) **A delinquent customer will receive a delinquent (past due) notice and invoice with the next monthly bill first succeeding the delinquency. The current bill and the past due bill shall be due on the same due date. If the current bill and the past due bill are not paid on or before the due date stated on the regular bill, the utility shall discontinue the customer's water service. The bill and the delinquency notification will serve as the only notice. Service will be restored only upon full payment of the current bill; the past due bill, including the delinquent charges; and service restoration charges as set forth in Rule 2.3. The past due notice should exhibit in some fashion the following:**

- (1) **The fact that the account is past due;**
- (2) **The amount due including all penalties and fees;**
- (3) **The time and date by which the amount(s) must be paid pursuant to this rule;**
- (4) **An express statement that the water service will be disconnected and discontinued after the set date unless the customer requests a hearing prior to that date, as set forth in Rule 1.17.4;**

(E) (NEW) **Notwithstanding the previous subdivision, if the combined balance due for all services from a delinquent customer is eighty dollars (\$80) or less, no delinquent (past due) notice shall be issued.**

~~(C)~~ (F) A reasonable grace period following the delinquent date indicated on the bill in which delinquent charges may be waived, may be granted by the collection and billing authority to customers for any of the following reasons:

- (1) Delays in mail delivery, delays from collection of payments made at off-premises collection sites and delays due to a holiday period;
- (2) Incidents of the timing in receiving pension and/or Social Security payments;
- (3) A history in which the customer has not been late in making payment in the previous 12 months;
- (4) During the pendency of a billing dispute resolution process or a delay in consequence of a billing dispute process, **including the process set forth in Rule 1.17.4;**
- (5) Delay following the death of a customer or a delay in payment from an estate of a decedent.

~~(D)~~ (G) All water charges shall attach to the premises served as well as to the customer. If water service charges are left unpaid by a customer upon vacation of the premises served, the utility shall withhold water service to said premises until the charges are paid.

~~(E)~~ (H) Bills for private fire protection shall be rendered quarterly as other bills of the utility.

~~(F)~~ (I) Bills for irrigation systems that are separately metered shall be rendered monthly with such billing activity to commence in May and continue until the month of October. In all other months no bill will be rendered. In addition, meters that are separately installed and dedicated solely to the measurement of consumption by an irrigation system shall not be subject to the fire protection surcharge or hydrant maintenance fee.

~~(G)~~ (J) Each bill shall be due upon receipt and payable at the office of the collection and billing authority or at such other places as may be designated by the utility. Such places shall be set forth in Rule 2.4.

~~(H)~~ (K) Personal checks returned not paid for any reason shall be the subject of a service charge per Rule 2.3.

~~(I)~~ (L) All water department personnel and its supervision shall be bonded for the collection and handling of utility funds. (November 2001) [Res. 2010-10 § 2, 2010].

Section 2. That the Waterworks Rules and Regulations be hereby amended by the adding a new rule to be styled as **Rule 1.17.4** and adopted which shall read as follows:

(NEW) Rule 1.17.4 Opportunity for Challenge, Hearing and Review

(A) Each customer has a right to a hearing prior to the discontinuance of service.

(B) In order to exercise this right, the customer must, request a hearing in writing, in person at the Town Hall, or by calling the office. The request must be received by the town no later than 12:00 p.m. Noon on a date set forth in the notice, associated with this right, which shall be scheduled not later than three (3) days before the delinquency date as much as is practicable.

(C) If the customer fails to timely request a hearing, the customer will be deemed to have irrevocably waived that right to a hearing, and absent exceptional circumstances, the customer's right to contest the termination of the customer's service, the customer's right to a hearing or the notice provided of the termination is deemed forever waived.

(D) If a hearing is timely requested, a hearing committee comprised of one (1) representative from the Board of Waterworks Directors appointed by that body, one (1) representative from the Board of Sanitary Commissioners appointed by that body, and the Utility Superintendent or the superintendent's designee, shall conduct the hearing. The hearing will be subject to notice and the memorializing requirements of I.C. 5-14-1.5 et seq. The hearing shall be held within ten (10) days of the customer's timely request for a hearing. The town will notify the customer of the date and time for the hearing either personally, by telephone at the number provided when the customer set up the account or by United States mail at the account address.

(E) At such hearing, the customer and the utility shall each have the following rights:

(1) to present such evidence or witnesses as is pertinent to the issue;

(2) to be represented by counsel; and,

(3) to examine or cross-examine witnesses.

Formal rules of evidence shall not apply.

(F) The hearing committee shall promptly make its findings and shall enter its order accordingly. The customer will be informed of the committee's findings by telephone at the number provided when the account was set up. Unless otherwise ordered by the hearing committee, water service shall be discontinued the day after the date that the order of discontinuance is communicated by the hearing committee to the customer. Extension of the date of discontinuance may be granted by the hearing committee to enable the customer to make arrangements for payment or other good cause shown. If the customer's water service is disconnected, the customer will be required to pay the past due amount stated above, plus any additional charges, plus a reconnection fee before service will be restored.

(G) The utility will not disconnect service for non-payment on any day on which the town's local office is closed to the public, or on any day immediately preceding any day on which the town's office is not open to the public.

Section 3. That the Waterworks Rules and Regulations be hereby amended by the adding a new rule to be styled as **Rule 1.17.6** and adopted which shall read as follows:

(NEW) Rule 1.17.6 Discontinuance of Service without Prior Notice

(A) Notwithstanding other provisions in these rules and regulations, the utility reserves the right at any time to shut off the water in the mains in case of accident or emergency, or for the purpose of making connections, extensions, improvements, alterations, repairs, changes, or for other proper business reasons. The utility may restrict the use of water to reserve a sufficient supply for fire protection or other emergencies whenever the public welfare may so requires.

(B) Notwithstanding other provisions in these rules and regulations, the utility may disconnect service without prior notice:

1. If a condition dangerous or hazardous to life, physical safety or property exists; or
2. Upon order by any court or a duly authorized public authority; or
3. If fraudulent or unauthorized use of water is detected and the town has reasonable grounds to believe the affected customer is responsible for such use; or
4. If the town's regulating or measuring equipment has been tampered with and the town has reasonable grounds to believe that the affected customer is responsible for such tampering.

(C) Subject to the foregoing, in all other instances and upon providing the customer with reasonable notice except as indicated below, the utility may disconnect service for violation of these rules or as allowed by Indiana statute. Examples include but are not limited to:

1. For any consumption of or connection to water not authorized by the town;
2. For unapproved cross-connection of a customer's service line or a customer's water pipes to any other source of water supply, or for permitting any condition to exist about the premises that cause or might cause pollution of the public water supply;
3. For any tampering or knowingly permitting any tampering or interference with any town property, equipment or appliances without permission of the town;
4. When town must repair its mains or other property;
5. When for any reason there is a lack of water in the distribution system.

Section 4. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 2.2** in its entirety and its replacement with a successor rule to be styled as **Rule 2.2.1** and adopted which shall read as follows:

Rule 2.2.1 Delinquent payment penalty.

All bills for water service not paid on the due date thereof, as stated in such bills, shall be subject to a collection or delinquent payment charge **the greater of ten dollars (\$10) or ten percent (10%) on the first \$3.00 of any balance due and owing; and three percent on the excess over \$3.00.** Also see late payment charge in **Rule 2.3**.

Section 5. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 2.3** in its entirety and its replacement with a successor rule to be styled as **Rule 2.3** and adopted which shall read as follows:

Rule 2.3 Schedule of nonrecurring fees and charges.

The following additional fees and charges are set forth as follows:

- | | | |
|-----|---|----------|
| (1) | Service Deposit: | |
| | Residential | \$60.00 |
| | Small business | \$75.00 |
| | Large business (car wash, laundromat, restaurant) (See Rule 1.8) | \$200.00 |
| (2) | Construction Water Use: | |
| | Without meter. See building inspector for charges (See Rule 1.10) | |
| (3) | Service Charge for Meters: | |

	5/8"	Meter cost plus \$50.00
	1"	Meter cost plus \$50.00
	1-1/2"	Meter cost plus \$50.00
	For larger meters	Meter cost plus \$50.00
(4)	Tapping/Inspection Charge	
	Residential	\$200.00
	Commercial/Industrial	\$330.00
(5)	Meter Testing (Residential)	\$ 35.00
	Meter testing all others (See Rule 1.16.1(I))	Actual cost plus \$15.00
(6)	Read-O-Matics:	
(7)	Frozen or Carelessness/Repair of Meter:	
	Fee scheduled by water department (See Rule 1.16.1(H))	
(8)	Late or Delayed Payment Charge:	
	Ten dollars (\$10) per month plus Three one (1%) one (1%) percent per month on unpaid balance.	
(9)	Service Restoration Charges:	
	Turn-Off Charge	\$15.00 \$30.00
	Turn-On Charge (See Rule 1.17.2(B) 1.17.3)	\$15.00
	Urgent service restoration surcharge:	
	\$50.00	
	In addition to the fees above, a surcharge in the identified amount will be charged to restore water services Monday through Thursday after 3:00 p.m.	
(9) (10)	Returned or NSF Checks: (See Rule 1.17.2(H) 1.17.3(J))	Actual bank charge plus \$7.50 \$15.00 administrative fee.
(10) (11)	Maintenance of Service Pipes and Meter Boxes: Water wastage service fee after grace period (See Rule 1.14)	\$20.00 per day

~~(11)~~(12) Manual Meter Reading Surcharge Fee \$28.33 per month
(See Rule ~~1.17.2~~ 1.17.3)

Section 6. That the Waterworks Rules and Regulations be hereby amended by the deletion of **Rule 2.4** in its entirety and its replacement with a successor rule to be styled as **Rule 2.4** and adopted which shall read as follows:

Rule 2.4 Authorized sites for collection of utility charges.

In addition to the office of the collection and billing authority, the following places are designated authorized agents of the utility for the purposes of receiving payments from utility customers for all charges, fees and rates authorized under these rules:

(A) ~~Sandridge~~ **First Financial** Bank at all Highland branches.

Section 7. That these rules and regulations shall go into and remain in full force and effect from and after their passage and adoption by the Board of Directors of the Highland Waterworks, subject to the following:

(A) The Clerk-Treasurer is authorized to take steps to promulgate the rule change related to notification of delinquencies, allowing for up to two (2) customer notifications before implementing the rule;

(B) The Board hereby ratifies the actions taken by the billing authority in anticipation of this rule amendment, including the suspension of delinquency notices, all pursuant to IC 36-1-4-16.

(C) The Clerk-Treasurer shall prepare in ordinance form those portions of these rules in, which fees are modified or enacted and present them for the required public hearing before the Town Council, pursuant to I.C. 8-1.5-3-8.1 and Section 12.05.080 of Highland Municipal Code.

Introduced and filed on the ____ day of _____ 2017. Consideration on same day or at same meeting of introduction. No further action was taken pursuant to Section 12.05.090 of the Highland Municipal Code.

Duly Passed and Adopted by the Board of Directors of the Highland Water Works, Lake County, Indiana this ____ day of _____ 2017 by a vote of ____ in favor and ____ opposed.

**HIGHLAND DEPARTMENT of WATER WORKS
BY ITS BOARD of DIRECTORS:**

/s/ George A. Smith, President

Attest:

/s/ George Georgeff , Secretary of the Waterworks Board

2. Highland Waterworks
Board of Directors
Resolution No. 2017-20

A RESOLUTION APPROVING A REQUEST FROM THE IDEA FACTORY, PRESENTED BY THE HIGHLAND TOWN COUNCIL, TO PERMIT THE SCHOOL TOWN OF HIGHLAND TO ALLOW ITS NEWSLETTER TO BE INCLUDED IN THE MAILINGS OF THE TOWN'S UTILITY BILLING, PURSUANT TO TERMS TO BE SPECIFIED IN AN INTERLOCAL GOVERNMENT COOPERATION AGREEMENT. . Director Dabrowski moved to approve Resolution No. 2017-20. Director Georgeff seconded. On a vote *viva voce*, the motion passed.

**WATERWORKS DISTRICT OF HIGHLAND
Board of Waterworks Directors
Resolution No. 2017-20**

A RESOLUTION APPROVING A REQUEST FROM THE IDEA FACTORY, PRESENTED BY THE HIGHLAND TOWN COUNCIL, TO PERMIT THE SCHOOL TOWN OF HIGHLAND TO ALLOW ITS NEWSLETTER TO BE INCLUDED IN THE MAILINGS OF THE TOWN'S UTILITY BILLING, PURSUANT TO TERMS TO BE SPECIFIED IN AN INTERLOCAL GOVERNMENT COOPERATION AGREEMENT

Whereas, the Waterworks District of Highland (District) is governed by its Board of Waterworks Directors, pursuant to the provisions of IC 8-1.5-4 et seq.; and

Whereas, IC 8-1.5-4-4 specifically provides that the Board of Directors shall manage and control all works of the waterworks and may purchase, acquire, construct, reconstruct, operate, repair and maintain all water works, including authority regarding the utility billing; and

Whereas, The Idea Factory, which provides newsletter services for both the Town of Highland and School Town of Highland (STOH), has requested, through Highland Town Council, to permit the STOH to allow its newsletter to be included in mailings of the Town's utility billing; and

Whereas, The STOH has agreed to cover any costs owing to an increase in weight or that would be incurred in the porting process; and

Whereas, The Water Works District of Highland, through its Board of Directors, believes that combining the mailing services is mutually beneficial to all parties concerned and now desires to approve the request; contingent upon the approval of an Interlocal Governmental Cooperation Agreement, which sets forth the terms and scope of services to be provided as herein described.

Now, Therefore Be it Resolved by the Board of Directors of the Highland Waterworks, Lake County, Indiana, as follows:

Section 1. That the request of The Idea Factory, on behalf of the School Town of Highland, to permit the School Town of Highland to allow its newsletter to be included in the mailings of the town's utility billing is hereby approved;

Section 2. That the Waterworks Attorney is hereby directed to prepare an Interlocal Government Cooperative Agreement that sets forth the terms, costs, and scope of services associated with the service to include the School Town of Highland's newsletter in the Town's utility bill mailing;

Section 3. That terms shall include, at the minimum, that the School Town of Highland, shall cover any additional costs, including weight charges and porting, that may be incurred by the Highland Waterworks.

Duly Adopted, Resolved and Ordered by the Waterworks Board of Directors of Highland, Lake County, Indiana, this 24th day of August, 2017. Having been passed by a vote of 3 in favor and 0 opposed.

**HIGHLAND WATERWORKS
BY ITS BOARD OF DIRECTORS:**

/s/ George A. Smith, President

Attest:

/s/ George Georgeff, Secretary

New Business:

- Reports:**
1. Waterworks Superintendent – John Bach and Mark Kneseck reported on Kennedy Avenue asphalt patching.
 2. Waterworks Attorney- NONE
 3. Waterworks Engineer – Sod replacements for all 3 current projects will take place in September.
 4. Fire Department- NONE

Business from the Floor: None.

Claims:

Per the docket in the amount of:

061	Water Works District	\$81,024.00
062	Consumer Deposits	\$121.44
064	Waterworks Operating	\$251,783.05
066	Water Improvements	\$36,022.61
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Total		\$368,951.10

Director Dabrowski moved to approve the claims per the August 24, 2017 docket in the amount of \$368,951.10. Director Georgeff seconded. On a vote viva voce, the motion passed.

Notes:

Mr. Griffin requested a special meeting to be held on September 7th at 3pm for the Board of Directors to pass Resolution 2017-13 to Amend the Code of Rules and Regulations of the Water Utility, Amending Several Rules. Attorney Rhett Tauber stated he will have the Interlocal Governmental Cooperation Agreement with the School Town of Highland prepared for consideration at this meeting as well.

Next Meeting:

The next Public Meeting will be held on Thursday, September 28, 2017 at 7:00 p.m. following a study session at 6:30 p.m.

ADJOURNMENT: With no other business to come before the Board of Waterworks Directors, President George A. Smith moved to adjourn. On a vote viva voce, the motion passed. Meeting adjourned at 7:25 p.m.

Respectfully Submitted,
Michelle Kobeszka, Recording Secretary